Project Finite

RBSA Capital Advisors LLP

SEBI Registered Category 1 Merchant Banker
Registration Code: INM000011724

October 3, 2019

Report Ref No: RCA1920MREP10001

To,

The Board of Directors,
Thomas Cook (India) Limited
Thomas Cook building
Dr. D. N. Road, Fort
Mumbai – 400001

The Board of Directors,
Quess Corp Limited
Quess House
3/3/2 Bellandur Gate, Sarjapur Road, Bengaluru 560103
Karnataka

The Board of Directors,
Travel Corporation (India) India
324, Dr. D.N. Road
Fort, Mumbai – 400001

The Board of Directors,
SOTC Travel Management Private Limited
7th Floor, Tower A
Urmi Estate
95 Ganpatrao Kadam Marg
Lower Parel West, Mumbai 400013

Sub: Fairness Opinion - Demerger of Demerged Undertaking 2 of Thomas Cook (India) Limited into Quess Corp Limited

Dear Sirs,

We refer to:

- Our engagement letters dated March 5, 2018 and March 16, 2018 wherein Thomas Cook (India) Limited and Quess Corp Limited have requested us to provide fairness opinion on the share exchange ratio and share entitlement ratio to be recommended by Talati & Talati, Chartered Accountants;
- Our Fairness Opinion dated April 20, 2018 (Report Ref No: RCA1819AREP04001) and Addendum to Fairness Opinion dated October 12, 2018 ('Addendum 1') wherein RBSA Capital Advisors Limited ('RBSA'/ 'We') provided opinion on the fairness of the share exchange ratio and share entitlement ratio recommended by Talati & Talati, Chartered Accountants ('T&T') vide report dated April 19, 2018 and October 12, 2018, respectively, in relation to of the Composite Scheme of Arrangement and Amalgamation ('the Scheme')

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Scope and Purpose of this Report

The Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Travel Corporation (India) Limited ('TCI'), TC Travel Services Limited ('TCTSL'), TC Forex Services Limited ('TCF'), SOTC Travel Management Private Limited ('SOTC Travel') and Quess Corp Limited ('Quess') and their respective shareholders, under section 230 to 232 read with secion 52/55/66 and other relevant provisions of the Companies Act, 2013 (the'Scheme'), envisages:

- Demerger of Demerged Undertaking 1 (as defined herein) of TCI into SOTC Travel, on a going concern basis. As a consideration for the demerger of Demerged Undertaking 2 of TCI into SOTC Travel, SOTC Travel shall issue its non-cumulative optionally convertible preference shares to the shareholders of TCI;
- Amalgamation of residual TCI, TCTSL and TCF into TCIL and consequent dissolution of TCI, TCTSL and TCF without winding up; and
- Demerger of Demerged Undertaking 2 (as defined herein) of TCIL into Quess, on a going concern basis. As a consideration for the demerger of Demerged Undertaking 2 of TCIL into Quess, Quess shall issue its equity shares to the shareholders of TCIL.

TCIL and Quess are together referred to as the 'Specified Companies'.

Demerged Undertaking 1

Demerged Undertaking 1 - means the entire Inbound Business, as a going concern as of the Appointed Date (i.e. April 01, 2019) as approved by the NCLT, including all its assets, contracts, identified investments, rights, approvals, licenses and powers and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the Inbound Business (For further details, refer the Scheme)

Demerged Undertaking 2

Demerged Undertaking 2 - means the entire Human Resource Services Business of TCIL, as a going concern as of the Appointed Date (i.e. April 01, 2019), including all its assets, investments (including investments in Quess), rights, contracts, approvals, licenses and powers and all its debts, outstandings, liabilities, duties, obligations and employees pertaining to the Human Resources Services Business (for further details, refer the Scheme)

We understand from the management of TCIL and Quess (together referred to as the 'Management') that:

- The Scheme has been approved by the Board of Directors and Shareholders of the Specified Companies and approval of the National Company Law Tribunal is currently awaited;
- On September 26, 2019, Quess issued 7,54,437 equity shares to Amazon.com NV Investments LLC ('Amazon'), on a preferential basis, at INR 676 per equity share, for an aggregate consideration of INR 510 million. The issue of equity shares as aforementioned resulted in change in the capital structure of Quess;
- As per Clause 32.2 of the Scheme "In the event of any increase in the issued, subscribed or paid up share capital of Quess and/or TCIL or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/ consolidation/ issue of bonus shares or other similar action in relation to the share capital of Quess and/or TCIL at any time before the Record Date 2, the Share Entitlement Ratio (defined above) shall be adjusted appropriately and the same shall be approved by the Boards of both Quess and TCIL."

In this connection, the Managements have appointed:

- TPG & Co., Chartered Accountants, ('TPG & Co'/ 'Registered Valuer') to provide the Share entitlement ratio for the demerger of Demerged Undertaking 2 of TCIL into QCL, on a 'going concern' premise, taking into consideration issue of equity shares by Quess to Amazon, on a preferential basis.
- RBSA to provide an opinion on the fairness of the Share entitlement ratio provided by TPG & Co.

Our scope of work for this engagement comprises commenting on the fairness of the Share entitlement ratio for the demerger of Demerged Undertaking 2 of TCIL into Quess, provided by TPG & Co and not on the fairness or economic rationale of the proposed transaction per se. This report is our opinion on the fairness of the TPG & Co's report on the share entitlement ratio.

This report is subject to the scope, assumption, exclusion, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. The report has been issued only for the purpose of facilitating the regulatory approvals required for the Scheme and should not be used for any other purpose.

Sources of Information

For arriving at the fairness opinion set forth below, we have relied upon sources of information received from Management and/ or available in public domains:

- Valuation Report dated October 3, 2019 by TPG & Co, Chartered Accountants
- Composite Scheme of Arrangement and Amalgamation
- Audited financial statements of TCIL and Quess for the year ended 31 March 2018 and 31 March 2019
- Carved out financial statements of the Human Resources Services Division for the year ended 31 March 2018 and 31 March 2019, prepared by the management of TCIL
- Financial projections of the Human Resource Division for the period FY 2019-20 to FY 2023-24 which the Management believes to be their best estimate of the expected operating performance of the Human Resource Division going forward
- Shareholding pattern of TCIL and Quess as at 30 September 2019. Outstanding ESOPs of TCIL and Quess as on the date of Report
- Other information and documents for the purpose of fairness opinion on of the Share entitlement ratio

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for our analysis. Further we have also relied on the representation given to us by the management of the Specified Companies.

Background of TCIL and Quess

Thomas Cook (India) Limited

TCIL is a public limited company incorporated on October 21, 1978 under the Companies Act, 1956 with CIN L63040MH1978PLC020717 and having its registered office at Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai 400001, Maharashtra. TCIL is currently engaged in the following broad segments either directly and/ or indirectly through its subsidiaries, joint ventures and associates:

a. Financial services – which includes wholesale and retail purchase and sale of foreign currencies and paid documents including prepaid cards, forex cards, etc.;

b. Travel and related services – which includes tour operations, travel management, visa services, travel insurance, destination management services, MICE and other related services;

c. Vacation ownership and resorts business – which includes time share holiday's business, resort management, resort construction, etc.; and

d. Human resource services – which includes staffing services for conducting tours and other businesses, talent development and training, resource management business, facilities management services, selection services, food services and engineering services.

The equity shares and debentures of TCIL are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). The issued, subscribed and paid up share capital of TCIL as on September 30, 2019 is INR 370.9 million consisting of 370,911,717 equity shares of INR 1 each fully paid up. The outstanding ESOPs as on September 30, 2019 are 7,363,772 options convertible in 1 equity share of TCIL.

Quess Corp Limited

QCL is a public limited company incorporated on September 19, 2007 under the Companies Act, 1956 with CIN L74140KA2007PLC043909 and having its registered office at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore 560103, Karnataka. The equity shares of QCL are listed on BSE and NSE. QCL is India's leading integrated business services provider. It provides services across 5 (five) major verticals namely: (i) industrial asset management, (ii) integrated facility management, (iii) human resource services, (iv) global technology solutions and (v) internet business. The Company excels in helping large and emerging companies manage their non-core activities by leveraging its integrated service offerings across industries and geographies which provides significant operational efficiencies to its client.

The issued, subscribed and paid up share capital of QCL as on September 30, 2019 is INR 1468.58 million consisting of 146,858,365 equity shares of INR 10 each fully paid up. TCIL holds 48.57% of such equity share capital of QCL. The outstanding ESOPs as on September 30, 2019 are 817,031 options convertible in 1 equity share of QCL.

Exclusions and Limitations

- This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the audited financial statements of the Specified Companies for FY 2019, unaudited financial statements of the Demerged undertaking 2 as at 31 March 2019 and the Shareholding pattern of the Specified Companies as at date. We have been informed that the business activities of the Specified Companies have been carried out in the normal and ordinary course between 31 March 2019 and the Report date, and other than allotment of equity shares by Quess pursuant to the preferential issue, no material changes have occurred in their respective operations and financial position between 31 March 2019 and the Report date.

- We have not carried out audit, due diligence or independent verification of the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from Specified Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Specified Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/ on behalf of the Specified Companies. If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, it may have a material effect on our findings. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

- In rendering our Opinion, we have assumed that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitations, restrictions or condition will be imposed that would have an adverse effect on the Specified Companies.

- This Opinion is based on business, economic, market and other conditions as they existed as of the date of this report. Subsequent events or circumstances that could affect the conclusions set forth in our Opinion include, without limitation, adverse changes in industry performance or market conditions and changes to the business, financial condition and results of operations of the Specified Companies. RBSA Capital Advisors is under no obligation to update, revise or reaffirm the Opinion.

- RBSA Capital Advisors has relied upon the representations that the information provided is accurate and complete in all material respects. While all public information (including industry and statistical information) was obtained from sources we believe are reliable, RBSA Capital Advisors makes no representation as to the accuracy or completeness thereof, and we have relied upon such public information without further verification.

- Providing fairness opinion is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, our opinion will have to be tempered by the exercise of judicious discretion and judgment taking into accounts all the relevant factors. There is, therefore, no indisputable single share entitlement ratio. While we have provided our fairness opinion on the share entitlement ratio recommended by the TPG & Co on the basis of the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share entitlement ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

- The Report assumes that the Specified Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Specified Companies will be managed in a competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited/unaudited balance sheet of the Specified Companies. No consideration has been given to liens or encumbrances against the assets, beyond those disclosed in the accounts. Therefore, no liabilities have been assumed for matters of legal nature. Our fairness opinion assumes that the assets and liabilities of the Specified Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

- We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents.

- The Opinion should not be construed to be an investment advice in any manner whatsoever. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, accounting, tax or other appropriate professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources. Our Opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with Scheme or any matter related thereto.

- The fee for our services is not contingent upon the results of the proposed Scheme. This Opinion is subject to laws of India.

TPG & Co Recommendation as per Valuation Report Dated October 3, 2019:

As per the Valuation Report dated October 3, 2019, TPG & Co has recommended the following share entitlement ratio for the demerger of the Demerged Undertaking 2 into Quess, pursuant to the Scheme:

1889 Fully paid equity shares of INR 10 each of Quess Corp Limited for every 10,000 fully paid equity shares of INR 1 each of Thomas Cook India Limited to the Shareholders of Thomas Cook India Limited.

Our Comment on the TPG & Co Report:

In the circumstance, having regards to the relevant factors and on the basis of information and explanations provided to us, in our opinion, the share entitlement ratio as recommended by the TPG & Co, which forms the basis for the proposed Scheme, is fair.

This Addendum shall be in addition to and should be considered a part of Fairness Opinion dated April 20, 2018 and Addendum to Fairness opinion dated October 12, 2018. All other facts and figures except the change as provided by this Addendum, mentioned in Fairness Opinion dated April 20, 2018 and Addendum dated October 12, 2018 shall continue to be in full force and effect. This Addendum along with the Fairness Opinion dated April 20, 2018 and Addendum dated October 12, 2018 shall constitute the Fairness Opinion for the purpose of the Scheme.

The aforesaid Arrangement shall be pursuant to the Scheme and shall be subject to receipt of approval from the National Company Law Tribunal, and other statutory approvals as may be required. The detailed terms and conditions of the Arrangement shall be more fully set forth in the Scheme. We have issued the fairness opinion with the understanding that the Scheme shall not be materially altered, and the parties hereto agree that the Fairness Opinion would not stand good in case the final Scheme alters the Proposed Transaction.

Yours Truly,
For **RBSA Capital Advisors LLP**
SEBI Registered Category I Merchant Banker
Registration Code: INM000011724

RBSA CAPITAL ADVISORS LLP

Rajeev Shah
Managing Director